# Appendix 3
# Additional Information for January 2003 through March 2005

### Medicaid Reimbursement and Claims by State, Ranked by Average Claim Per Medicaid-Eligible Child, State Fiscal Year

| | SFY 2001-2002 [A] * (Numbers in thousands.) | | |
|---|---|---|---|
| State | Federal Medicaid Reimbursement * (000's) | Total Claims * (000's) | Average Claim Per Medicaid Eligible Child [B] |
| RHODE ISLAND | $ 22,626 | $ 43, 675 | $ 720 |
| MICHIGAN [C] | 192,973 | 367,644 | 673 |
| MASSACHUSETTS | 95,100 | 190,200 | 565 |
| NEW HAMPSHIRE | 11,129 | 22,258 | 510 |
| KANSAS | 29,984 | 51,088 | 490 |
| ALASKA | 11,982 | 23,964 | 478 |
| MARYLAND | 56,824 | 113,648 | 417 |
| DELAWARE | 8,262 | 16,524 | 384 |
| CONNECTICUT | 30,000 | 60,000 | 379 |
| NEW JERSEY [C] | 56,641 | 113,282 | 367 |
| UTAH | 12,805 | 21,334 | 345 |
| WISCONSIN | 37,000 | 64,050 | 290 |
| ARIZONA [C] | 36,744 | 65,696 | 240 |
| MINNESOTA | 19,800 | 39,600 | 182 |
| PENNSYLVANIA | 51,024 | 95,623 | 169 |
| WEST VIRGINIA | 14,745 | 19,753 | 167 |
| FLORIDA | 66,000 | 130,633 | 159 |
| ALABAMA [C] | 15,472 | 30,859 | 138 |
| IOWA | 8,170 | 14,552 | 131 |
| COLORADO | 7,515 | 15,030 | 113 |
| OHIO | 39,446 | 67,108 | 112 |
| SOUTH CAROLINA | 23,235 | 34,210 | 103 |
| NEBRASKA [C] | 4,940 | 9,880 | 103 |
| NORTH CAROLINA [C] | 20,604 | 40,328 | 90 |
| VERMONT | 2,673 | 4,239 | 86 |
| CALIFORNIA | 82,174 | 160,650 | 60 |
| NEW MEXICO [C] | 6,804 | 10,254 | 56 |
| GEORGIA | 14,201 | 25,188 | 55 |
| IDAHO | 2,609 | 3,674 | 54 |
| SOUTH DAKOTA | 938 | 1,423 | 33 |
| MONTANA [C] | 766 | 1,052 | 31 |
| VIRGINIA | 1,757 | 3,415 | 14 |
| INDIANA | 2,468 | 3,978 | 13 |
| KENTUCKY [C] | 1,797 | 2,569 | 10 |
| MISSISSIPPI | 107 | 141 | 1 |
| ARKANSAS | 5 | 7 | 0 |
| HAWAII [D] | - | - | - |
| TENNESSEE [D] | - | - | - |
| WYOMING [D] | - | - | - |

| State | SFY 2002 - 2003 [A] * (Numbers in thousands.) Federal Medicaid Reimbursement * (000's) | Total Claims * (000's) | Average Claim Per Medicaid Eligible Child [B] | SFY 2003 - 2004 [A] * (Numbers in thousands.) Federal Medicaid Reimbursement * (000's) | Total Claims * (000's) | Average Claim Per Medicaid Eligible Child [B] |
|---|---|---|---|---|---|---|
| RHODE ISLAND | $ 26,600 | $ 49,311 | $ 720 | $ 27,759 | $ 49,350 | $ 721 |
| KANSAS | 32,836 | 55,613 | 514 | 42,411 | 68,780 | 636 |
| NEW HAMPSHIRE | 12,894 | 25,788 | 548 | 15,380 | 29,046 | 617 |
| DELAWARE | 9,957 | 19,914 | 427 | 10,360 | 19,566 | 419 |
| MARYLAND | 63,983 | 127,966 | 439 | 64,562 | 121,930 | 419 |
| MINNESOTA | 35,065 | 70,130 | 299 | 39,063 | 76,275 | 325 |
| PENNSYLVANIA | 76,660 | 143,115 | 238 | 91,880 | 163,730 | 272 |
| CONNECTICUT | 20,000 | 40,000 | 238 | 21,000 | 39,660 | 236 |
| WEST VIRGINIA | 16,712 | 22,412 | 181 | 21,843 | 28,131 | 227 |
| NEBRASKA | 11,709 | 22,035 | 214 | 11,625 | 22,147 | 215 |
| CALIFORNIA | 103,593 | 207,186 | 71 | 298,593 | 587,055 | 202 |
| UTAH | 13,216 | 21,988 | 314 | 8,585 | 11,497 | 164 |
| SOUTH CAROLINA | 35,463 | 56,223 | 164 | 33,816 | 50,968 | 149 |
| FLORIDA | 64,301 | 126,526 | 139 | 55,339 | 108,489 | 119 |
| OHIO | 53,409 | 90,785 | 141 | 47,588 | 76,533 | 119 |
| COLORADO | 11,166 | 22,332 | 159 | 8,841 | 16,697 | 119 |
| GEORGIA | 13,310 | 23,683 | 46 | 29,857 | 53,067 | 102 |
| IDAHO | 3,463 | 4,880 | 61 | 5,969 | 8,076 | 101 |
| IOWA | 12,200 | 20,446 | 166 | 7,609 | 12,391 | 101 |
| VIRGINIA | 3,996 | 7,932 | 30 | 12,660 | 24,823 | 95 |
| NEW MEXICO | 2,772 | 3,718 | 20 | 6,683 | 8,590 | 47 |
| ARKANSAS | 6,209 | 8,359 | 35 | 5,375 | 6,925 | 29 |
| OKLAHOMA | 5,654 | 8,013 | 29 | 4,453 | 6,058 | 22 |
| INDIANA | 3,367 | 5,433 | 16 | 3,629 | 5,560 | 16 |
| SOUTH DAKOTA | 825 | 1,264 | 27 | 395 | 576 | 12 |
| KENTUCKY | 1,797 | 2,571 | 9 | 1,963 | 2,688 | 10 |
| MISSISSIPPI | 584 | 762 | 3 | 1,142 | 1,895 | 7 |
| MASSACHUSETTS [C] | 101,300 | 202,600 | 564 | - | - | - |
| ALASKA | 13,007 | 26,014 | 492 | - | - | - |
| MICHIGAN [C] | 142,711 | 270,822 | 461 | - | - | - |
| WISCONSIN [C] | 34,400 | 59,740 | 245 | - | - | - |
| NORTH CAROLINA [C] | 25,790 | 50,523 | 111 | - | - | - |
| VERMONT [C] | 1,812 | 2,904 | 58 | - | - | - |
| MONTANA [C] | 1,460 | 2,001 | 56 | - | - | - |
| HAWAII [D] | - | - | - | - | - | - |
| TENNESSEE [D] | - | - | - | - | - | - |
| WYOMING [D] | - | - | - | - | - | - |

Notes:

(A) For comparative purposes, amounts for health and administrative services are included in federal Medicaid reimbursement and total claims. Federal payment disallowances resulting from completed or ongoing OIG audits may not be reflected in these amounts.

(B) Calculated as total claims divided by the number of Medicaid-eligible children aged 6-20 in FFY 2001-02, FFY 2000-01, or FFY 1999-00. (Source: Medicaid Program Statistics, CMS, http://cms.hhs.gov/medicaid/msis/mstats.asp)

(C) Federal reimbursement for this state's health services program and/or administrative claiming program was not available.

(D) This state did not have a school-based Medicaid health services program or administrative claiming program during SFY 2001-02, SFY 2002-03 or SFY 2003-04.

**Summary of Significant Recommendations Made to CDHS and Actions Taken/To Be Taken by CDHS**

| Recommendation | Action Taken |
|---|---|
| • Enter into a contract for the LEA Rate Study.<br>• Provide training to LEAs in completing cost and time surveys for the Rate Study. | • CDHS entered into a contract to conduct the Rate Study, which began during the fall of 2001.<br>• Cost and time survey training was provided to LEAs between May and November of 2002. Additional assistance completing the cost and time surveys, including on-site visits and conference calls, was provided between Summer 2002 and Spring 2003. |
| • Implement LEA Rate Study recommendations related to assessments conducted to determine a student's eligibility for services under IDEA[1] and treatment services.<br>• Revise state regulations to expand the provider types that are authorized to prescribe, refer, and recommend services, as appropriate. | • The Rate Study was completed during Spring 2003. A SPA was submitted to CMS in June 2003 to update existing rates for treatments and to add rates for assessments conducted to determine a student's eligibility for services under IDEA.<br>• In 2004, CDHS, in collaboration with the LEA Workgroup, expended considerable time and effort to respond to issues raised by CMS. The first SPA was re-submitted in January 2004 and again in December 2004. Major revisions included adding CPE requirements (discussed in Section III) and updating rates for non-IDEA assessments. The SPA was eventually approved by CMS in March 2005.<br>• CDHS prepared a System Design Notice which contains instructions regarding changes in the claims processing system to implement LEA Rate Study recommendations. These changes include conversion to new national billing codes required by the Health Insurance Portability and Accountability Act.<br>• A proposed regulation package will be prepared. CDHS will propose revisions to state regulations that are required to implement LEA Rate Study recommendations and are consistent with the state plan, federal law and regulations, and state law. |

[1] Schools are mandated by the IDEA to provide appropriate educational services to all children with disabilities. School-based health services reimbursed by the LEA Program are primarily provided to students with disabilities receiving special education services through an IEP or IFSP. The LEA Program also provides reimbursement for health services, such as nursing care, rendered to general education students.

| Recommendation | Action Taken |
|---|---|
| • Automate the data match system that verifies student eligibility for Medi-Cal. | • CDHS modified the data match system during 2003 to accept and return encrypted data match files directly to LEAs. This replaced the previous process of transferring files on diskettes through the mail and reduced the data match time substantially. Further improvements to the data match system will made in the future. |
| • Modify the requirement that group psychology and counseling treatments last a minimum of 90 minutes. | • The SPA decreases the minimum time to 15 minutes for group psychology and counseling treatments. |
| • Revise re-enrollment requirements, which require LEA providers to re-enroll every five years. | • CDHS eliminated the re-enrollment requirements for LEA providers in April 2002. |
| • Provide training related to billing and supervision of credentialed language, speech and hearing specialists. | • Training related to these topics was provided to LEAs in November 2003. |
| • Develop and maintain an interactive website. | • The LEA website was re-designed to be more interactive and comprehensive. Conversion of the website to the California standard template began in November 2003 and was completed in March 2004.<br>• Maintenance activities in 2004 included posting updated copies of Provider Enrollment forms, 2003-04 Provider Annual Report forms, and claims expenditure reports.<br>• Future changes to the website will include a provider resource page and expansion of the links to the revised LEA Provider Manual. Additional time will be spent to update the website based on recommendations for changes from the LEA Workgroup. |
| • Re-write the sections of the Medi-Cal Provider Manual related to the LEA Program (LEA Provider Manual) to improve the organization and content of the information.<br>• Research utilization controls related to LEAs and beneficiaries. | • Work on these recommendations started during the summer of 2003. CDHS continued work on the re-organization and content revision of the LEA Provider Manual in 2004. Changes to the LEA Provider Manual and utilization controls will incorporate requirements related to SPA 03-024. Utilization controls, provider qualifications, and numerous other topics were researched to support proposed changes. Work on the LEA Provider Manual continued in 2005. |

| Recommendation | Action Taken |
|---|---|
| • Establish equivalency for credentialed speech-language pathologists. | • CDHS, in collaboration with the CCTC, established that the educational and work requirements for credentialed speech-language pathologists with clinical or rehabilitative services credentials were equivalent to federal standards. CDHS submited a SPA in 2005 to remove supervision requirements for these practitioners. |
| • Improve communications regarding policy issues (to the extent allowed by Executive Order S-2-03) and status of SB 231 implementation with LEA providers. | • CDHS sent a letter to LEA providers in June 2004 regarding the status of SB 231 implementation and federal Free Care and OHC requirements.<br>• LEA providers were sent a questionnaire to solicit feedback regarding potential new services to be considered for the LEA Program. The mailing also notified providers of the LEA Program website address.<br>• CDHS prepared LEA Workgroup Meeting Summaries and started to post them on the website to inform LEA providers of items discussed during the meetings. |
| • Update the statewide LEA provider contact list. | • The statewide LEA provider contact list was updated with addresses and contact names from training sessions held in late 2003 to prepare the mailing of the potential new services questionnaire. This list will be further updated with information, including E-mail addresses, from completed questionnaires and 2004 Provider Annual Reports. |
| • Update valid Medi-Cal eligibility codes for the LEA Program to include foster children, adopted children, and other eligible populations in the data match system. | • CDHS identified valid eligibility codes for the LEA Program. Changes to the Medi-Cal Eligibility Data Systems files used in data match processing was completed in early 2005. Further improvements to the data match system will be discussed with Information Technology Services Division in 2005. |
| • Post results of the insurance carrier survey on the LEA website. | • CDHS completed an insurance carrier survey in 2004 to determine if carriers provide coverage for LEA Program services. Preliminary results were distributed to the LEA Workgroup in June 2004. Final results were posted on the LEA Program website. |

| Recommendation | Action Taken |
|---|---|
| • Provide quarterly status reports describing how SB 231 funds are used. | • The contractor that assists CDHS in implementing the provisions of SB 231 prepares monthly status reports of actual and projected activities. CDHS distributed the monthly status reports for the first nine months of 2004 to the LEA Workgroup. Subsequent reports will be provided at the LEA Workgroup meetings on a periodic basis. |
| • Provide an annual or semi-annual regional meeting with LEAs and vendors to reinforce best practices. | • CDHS will provide training to providers and vendors. |
| • Fund a full-time equivalent position to be filled by LEAs performing work on SB 231 activities. | • CDHS held a meeting with the LEA Workgroup to discuss the requirements of this position as well as other options in 2005. |
| • Establish a hotline to answer questions regarding billing policies. | • The state's fiscal intermediary, Electronic Data Systems (EDS), has a hotline to answer billing questions from LEA providers and billing vendors. EDS also provides on-site training to providers, as requested. |
| • Submit SPAs and subsequent updates to CMS on a timely basis. | • CDHS will continue to work towards submission of future SPAs within a reasonable time frame. However, the CMS approval process is lengthy, particularly in this period of federal budget deficits. CDHS cannot offer any assurance that future SPAs will move more quickly or smoothly. |